

BULLETIN

To: All Carriers Offering Health Insurance Benefit Plans

**Re: Denial of Coverage Based on Medical Necessity
Internal Grievance Process**

Date: January 8, 1999

Bulletin No: Life and Health 99-1

Chapter 112 (HB 3) of the Acts of the General Assembly of 1998 enacted new provisions in Maryland requiring carriers to establish an internal grievance process for the review of adverse decisions and requiring each carrier to file a copy of its internal grievance process with the Maryland Insurance Administration. The provisions are codified as Title 15, Subtitle 10A of the Insurance Article.

To implement the provisions of Chapter 112, Acts of 1998 that relate to denials of coverage based on medical necessity, new emergency regulations under COMAR 31.10.18 will be published in the January 15, 1999 issue of the Maryland Register. The regulations require that each carrier file with the Commissioner its internal grievance process no more than 30 days after the effective date of the regulations. Further, the regulations require that the carrier include with the filing the circumstances, if any, under which the internal grievance process will be delegated to a private review agent and include a copy of the applicable part of the policy, plan, certificate, enrollment materials or other evidence of coverage that shows the information required under Insurance Article, §15-10A-02(k), Annotated Code of Maryland.

The filing of the internal grievance process must be made no later than February 14, 1999.

If you have any questions about this bulletin, please contact Lynn R. Lederman at 410-468-2170.

Donna B. Imhoff
Associate Commissioner